

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL MEMORANDUM**

**HB 644 – SB 803**

April 6, 2009

**SUMMARY OF AMENDMENTS (005030, 005502):** House Commerce Committee Amendment 1 (005030) deletes all language after the enacting clause. Requires all applicants for licensure as a private investigator to possess, or employ someone who possesses, 4,000 hours of compensated and verifiable investigative experience. Exempts persons whose license is issued prior to July 1, 2009, from the requirement of 4,000 hours of experience. House Commerce Committee Amendment 2 (005502) adds two years of related experience or education in a related field of study as an alternative qualification for licensure.

**FISCAL IMPACT OF ORIGINAL BILL:**

Other Fiscal Impact – The Private Investigation and Polygraph Commission will incur a one-time increase in expenditures of \$6,000 which includes \$1,000 in modifications to the current application and computer licensure system and \$5,000 for a rule-making hearing. According to the Commission, the new requirements would decrease applications and thereby decrease revenue by approximately \$18,800. Fees will be increased to cover the one-time costs as well as the decrease in revenue from the loss of applicants.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

**Increase State Revenue – Net Impact – \$3,500/Biennially/  
Private Investigation and Polygraph  
Commission**

**Increase State Expenditures - \$3,500/One-Time/Private  
Investigation and Polygraph Commission**

Assumptions applied to amendments:

- According to the Commission, new minimum experience requirements would decrease the number of qualified applicants for licensure for both private and company investigators. The decrease in the number of applicants will result in a loss of both initial license application fees and

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license renewal fees estimated to total \$18,800. Fees will be increased on a recurring basis to cover the one-time costs as well as the decrease in revenue from the reduction in applications.

- One-time increase in state expenditures for programming updates to the application and licensure system will be required at a cost of \$3,500.
- Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards are required to be self-supporting over a two-year period. As of June 30, 2008, the Commission had a positive balance of \$74,486.85.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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